

Department of Community and Economic Development

Economic Development Committee Meeting

April 5, 2004

4:00 p.m.

4th Floor Conference Room 4A

City Hall

777 B Street

Hayward, CA 94541-5007

A G E N D A

Public Comments: (Note: For matters not otherwise listed on the agenda. The Committee welcomes your comments under this section but is prohibited by State Law from discussing items not listed on the agenda. Your item will be taken under consideration and referred to staff.)

- 1. Approval of Minutes (March 1, 2004)**
- 2. Economic Development Activities Update**
- 3. Residential Real Estate Update – Nancy Rogers, Public Affairs Director, BayEast Association of Realtors**
- 4. Committee Member Announcements**
- 5. Adjournment**



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**ECONOMIC DEVELOPMENT COMMITTEE
REGULAR MEETING
Minutes
MARCH 1, 2004**

CALL TO ORDER: Chair Barrow called the meeting to order at 4:03 p.m.

ATTENDANCE:

Committee Member	Present 3/1/04	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Timothy Barrow (Chair)	✓	6	1	6	1
Steve Bristow	✓	6	1	6	1
Mayor Cooper	✓	6	1	6	1
Council Member Dowling	no	4	3	4	3
Joyce Jaquith	✓	6	1	6	1
Ed Mullins (Vice Chair)	✓	7	0	7	0
Joel Peña	✓	7	0	7	0
Lisa Ringer	✓	7	0	7	0
Council Member Ward	✓	3	3	3	3

OTHERS ATTENDING: Jesús Armas, City Manager
Sylvia Ehrental, Director of Community & Economic Development
Ann Bauman, Neighborhood and Economic Development Manager
Sally Porfido, Economic Development Specialist
Bruce Kern, Executive Director,
Economic Development Alliance for Business
Roy Gordon, Hayward Resident

PUBLIC COMMENT: Roy Gordon expressed concern to the EDC Committee that the development of the Cinema Place and parking structure would negatively affect local business owners. He would like to see the new parking structure developed in stages.

APPROVAL OF MINUTES:

The minutes of February 2, 2004 were approved.

ECONOMIC DEVELOPMENT ACTIVITIES UPDATE:

Ms. Bauman updated the EDC on economic development activities for the month of February 2004. Staff met with Sam Basu, Interim Dean of California State University, Hayward, College

of Business and Economics and Raj George, Director of the new East Bay Small Business Development Center. Mr. Basu introduced Mr. Raj to staff and Mr. Raj discussed the new Small Business Development Center (located 475 14th Street, Suite 150 in Oakland) as a resource to small businesses. Staff has arranged to visit the center Tuesday, March 9, 2004 for a tour and to better understand what it can offer the Hayward business community.

ECONOMIC OUTLOOK FOR THE EAST BAY:

Ms. Bauman introduced the guest speaker Bruce Kern, Executive Director for the Economic Development Alliance for Business (EDAB). Mr. Kern explained that EDAB has 600 members, including all the Cities in Alameda County. The services they provide these cities are:

1. Research and Economic Data. EDAB has contracted with UCLA to prepare Economic Outlook Reports such as the handout distributed to the Committee, East Bay Economic Outlook – January 2004 authored by Christopher Thornberg, Senior Economist with UCLA Anderson Forecast. They provide the forecasts through their web site and they have linked the City of Hayward web site to their web site so interested businesses can find us easily.
2. Problem Solving Strategies. EDAB continues to focus on the jobs/housing imbalance. They are co-hosting a March 12 East Bay Business Times Face Off 2004, Homes For Our Own. Transportation as an economic delivery system to businesses is also a primary focus for EDAB. Mr. Kern will distribute the findings of their Goods Movement Study.
3. Work Force Development. EDAB works closely with local County One-Stops to assure employers are aware of and utilize their employment services.
4. Business Development. EDAB participates in Trade Shows to recruit businesses to our area. They continue to identify businesses at risk of leaving the area. They assist cities with Industrial Development Bond financing for eligible manufacturing businesses. EDAB also sends e-mail lists of active clients who have an interest in moving their business to Hayward.

Mr. Kern reviewed the handout, East Bay Economic Outlook, January 2004, and explained that the document does not include the last quarter of 2003. There will be a more accurate picture in the April 2004 Forecast since it will include the last quarter of 2003. The Outlook projects that the East Bay will add 16,000 jobs in 2004. Taxable sales are projected to grow 3.5% for Alameda County and 2.7% for Contra Costa County.

Employment indicators reflect that payroll employment reached its lowest point in the third quarter of 2003. Jobs are being added to the state's economy but not in traditional employment. Self employment is growing and many businesses contract out their employment services to avoid paying for benefits.

The UCLA-Anderson Forecast noted that the fundamental differences between revenue and expenditures are so wide that the California budget deficit problems will not be offset until there is an increase in taxes. Spending cuts are not enough.

Ms. Bauman asked Mr. Kern if EDAB could perform a study on the outsourcing of jobs out of the country. Ms. Bauman noted that venture capital firms will not inject cash into a company unless they have an outsourcing plan.

Mr. Kern reviewed the recent Goods Movement Study that EDAB sponsored with the MTC. The study was commissioned to a) provide information about the economic significance of goods movement and the goods movement industries b) provide guidance to the Metropolitan Transportation Commission for how to address goods movement issues and plan for goods movement investments in the next regional transportation plan, and c) provide the Bay Area with a common platform for addressing goods movement issues in the reauthorization of Federal surface transportation legislation. The Study is being completed in two phases – Phase 1, recently completed, compiled all available data and identified major goods movement trends and issues for planning and evaluating future goods movement policies, programs, and projects. Phase One included a goods movement industry cluster analysis, stakeholder focus groups and an analysis of development trends and regional growth forecasts resulting from market and changing land use patterns. Phase Two of the Study, currently underway, will address solutions and recommendations regarding public infrastructure investments, best business practices and land use policies. Mr. Kern will check on the outsourcing study and let us know what they can do.

COMMITTEE MEMBER ANNOUNCEMENTS:

None.

ADJOURNMENT: Meeting was adjourned at 5:00 p.m.